

Maverick mandarin moves over to Magna

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When Ontario government unveiled the report of the Premier's Council on the province's economic future last month, the man charged with fielding the toughest questions and providing the most cogent explanations was maverick mandarin Patrick Lavelle.

After 2½ years as deputy minister of Industry, Trade & Technology, one of the province's most influential civil servants is returning to the private sector.

The cherubic, rumpled 46-year-old is also returning to a long-time love, the automotive industry. On Aug. 15, he will become vice-president, corporate development, with auto parts maker Magna International Inc.

It's a new post, created especially for the man auto industry observers call one of Canada's most effective lobbyists. It's also an industry Lavelle knows well. Before joining the provincial government, he spent 12 years as president of the Automotive Parts Manufacturers Association.

"The auto parts industry really became very high-profile as a result of Pat's efforts," says Roel Buck, president of Auto Systems Manufacturing Inc., Belleville Ont., and a member of APMA's board. "There wasn't a politician in Canada who wasn't aware of the APMA by the time Pat left."

Lavelle's newest job ought to please Magna watchers. The high-flying auto parts maker — whose nine-month earnings dropped 50% to \$16.6 million from \$33.7 million — requires fresh blood, say investment analysts. Lavelle, who recently completed a major overhaul of MITT, may be just what the company needs.

The one job he won't be doing, though, is acting as a government relations expert. Rather, he will be involved in dealmaking, plant expansions, and mergers and acquisitions.

His resignation took Queen's Park by surprise, but Lavelle says it shouldn't have. "I told Premier David Peterson at the start I would only stay a maximum of three years and I've accomplished a lot of things I set to out do," Lavelle says.

"The first Premier's Council report is out, the recommendations for Ontario Development Corp. are before cabinet, the trade policy issues are complete."

Once dubbed Leaky Lavelle — a nickname he acquired, and disliked, when he was executive assistant to federal Labor Minister Allan MacEachen in the early 1960s — Lavelle was given a triple mandate when Peterson appointed him to MITT in early 1986.

This was to develop Ontario's free trade policy, provide direction on the Premier's Council and overhaul the ministry. Lavelle took on the task because of the chance to help formulate policy.

As deputy minister of MITT, he oversaw an empire that controlled \$300 million annually in industrial spending. He was the driving force behind the Premier's Council, charged with creating a blueprint for economic policy.

As well, Lavelle chaired a committee of deputy ministers that assessed the effects of free trade on their departments and he overhauled his own ministry. Frequently, he landed in the spotlight as he dealt with crises such as Idea Corp., the government's ill-fated dabbling in venture capital.

It's been a heck of a job for the working-class boy from west-end Toronto who dropped out of the University of Western Ontario after two years to go to work. And he's tackled it with a hefty dose of irreverence.

"The aim [of the Premier's Council] was to get a consensus from the members. My job was to bring that on

POST

PROFILE

Patrick Lavelle, deputy Minister of Industry, Trade & Technology will leave public service to become vice-president, corporate relations at Magna International Inc.

track. It was a success in so far as we got the report out and I managed to keep it out of the bureaucratic system," says Lavelle, only partly tongue-in-cheek.

He is noted for his ability to persuade disparate groups to work toward a common goal. Getting a consensus among government, labor and industry groups is what he accomplished with the Premier's Council.

This is similar to the coalition he forged at the APMA. In 1983 as a result of his lobbying, the federal government set up its task force on the auto and auto parts industries, with Lavelle as co-chairman.

"He made a major, major contribution to the task force," says Bob White, head of the United Auto Workers and the other co-chairman.

"It was through his efforts that the government and the auto manufacturers understood the concerns of the auto parts industry. He helped us understand, too."

Lavelle says of all his jobs — he's been a reporter, worked for an ad agency and done marketing for Consumers Glass Co. — the most daunting was reorganizing MITT.

"The policy area was weak and we weren't providing important advice," he says.

Since 1986, nearly 25% of the ministry's staff has been replaced. Lavelle launched a recruiting program to attract people straight from university and hired experienced managers from outside.

MITT's foreign offices have been given new life. "They're no longer dumping grounds for unwanted bureaucrats."

That kind of agenda takes its toll. Lavelle, who says his first priority is his wife and two kids, hasn't had a vacation since 1986. He plans to rectify that next month, spending time at his Muskoka cottage with his family.

He may also catch up on his reading. "He's a prolific reader," says Neil Paget, a consultant with Canada Consulting Group, who worked with Lavelle on the task force.

Despite glowing reviews from most associates, Lavelle has his critics.

Paget says he can see how Lavelle might generate resentment among civil servants.

"[Pat's] currency is ideas, theirs is process. There is a tremendous differential in the speed. Ideas occur much more quickly than process and I'm sure that many people in the government get extremely frustrated with the bypassing of process."

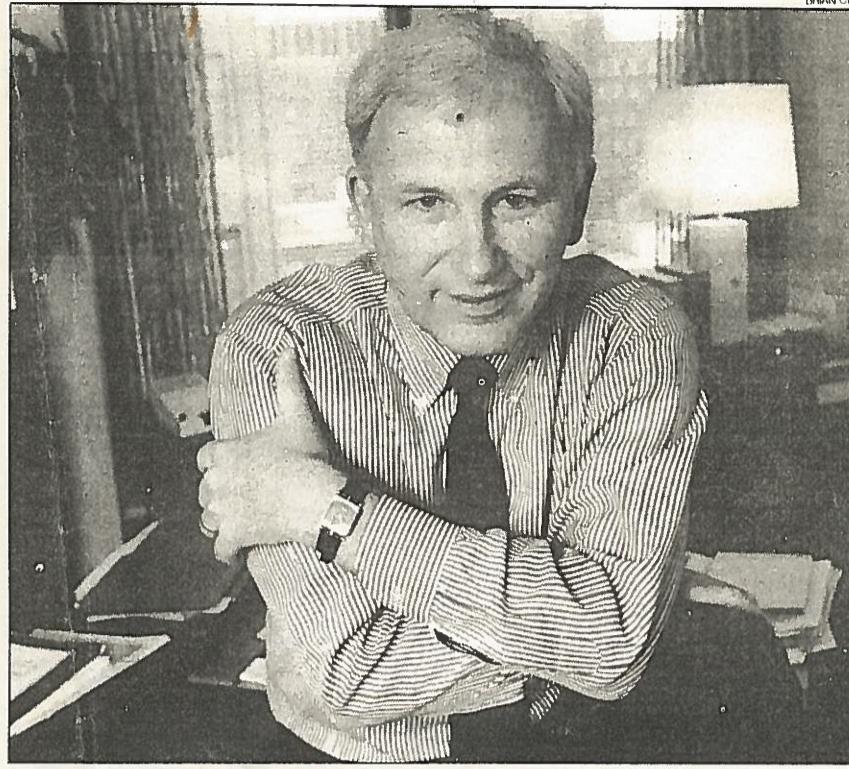
Lavelle also faces at least two lawsuits as a result of folding Idea Corp.

"If they all are successful," he says, "I'll owe something like \$50 million, \$60 million, maybe \$70 million." He doesn't appear overly worried.

He cheerfully acknowledges he doesn't quite know how he's managed all the tasks he's tackled in the past couple of years.

"Determination, I guess. Plus the fact that some issues — free trade and Idea Corp. — were so major, I couldn't just duck my head and avoid them."

That determination should serve him well at Magna.



BRIAN CONDON

Patrick Lavelle: His priority is his family and he will vacation with them next month

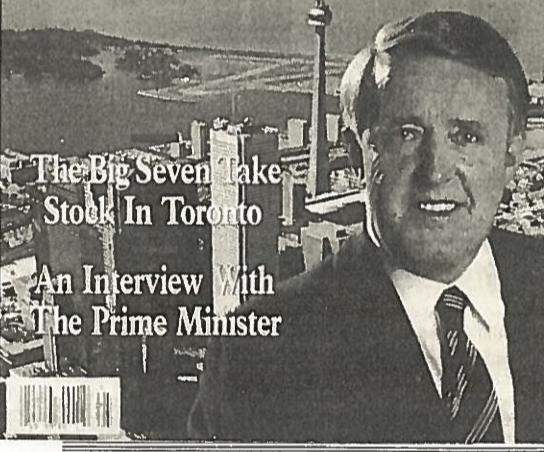
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